

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

DB STRUCTURED PRODUCTS, INC.,

Plaintiff,

-against-

TRANSNATIONAL FINANCIAL NETWORK,  
INC.,

Defendant.

**ECF CASE**

Civ. No.: 07-cv-4125 (DLC)

**REPLY TO COUNTERCLAIM**

Plaintiff DB Structured Products, Inc. ("DBSP" or "Plaintiff"), by its attorneys, Thacher Proffitt & Wood LLP, for its reply to Defendant, Transnational Financial Network, Inc.'s ("Transnational" or "Defendant") Counterclaim, responds as follows:

**REPLY TO FIRST COUNTERCLAIM**

1. There is no response necessary to paragraph 24 of Defendant's Counterclaim because it is a summary of Defendant's Answer and Affirmative Defenses. To the extent that a response is necessary, Plaintiff realleges the allegations of Plaintiff's Complaint.

2. Plaintiff denies the allegation contained in paragraph 25 of Defendant's Counterclaim.

3. Plaintiff denies the allegation contained in paragraph 26 of Defendant's Counterclaim.

4. Plaintiff denies the allegation contained in paragraph 27 of Defendant's Counterclaim.

**FIRST AFFIRMATIVE DEFENSE**

5. Defendant's Counterclaim fails to state a claim upon which relief can be granted.

**SECOND AFFIRMATIVE DEFENSE**

6. Defendant's damages, if any, were proximately caused by Defendant's own conduct.

**THIRD AFFIRMATIVE DEFENSE**

7. Defendant's claim is barred based on the doctrines of estoppel, waiver and laches.

\* \* \*

**WHEREFORE**, DBSP demands judgment against Transnational, dismissing its Counterclaim with prejudice, and granting such other and further relief as the Court deems just and proper.

Dated: New York, New York  
August 21, 2007

THACHER PROFFITT & WOOD LLP

By: /s/ John P. Doherty

John P. Doherty  
Richard F. Hans  
Kerry Ford Cunningham  
Brendan E. Zahner  
Two World Financial Center  
New York, New York 10281  
(212) 912-7400

*Attorneys for DB Structured Products, Inc.*